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DPC Dash Ltd
达势股份有限公司

(Incorporated in the British Virgin Islands with limited liability)

(Stock Code: 1405)

INSIDE INFORMATION POSITIVE PROFIT ALERT

This announcement is made by DPC Dash Ltd (the “**Company**”, together with its subsidiaries, the “**Group**” or “**we**”) pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board (the “**Board**”) of directors of the Company (the “**Directors**” and each a “**Director**”) wishes to inform the shareholders of the Company (the “**Shareholders**”) and the potential investors that, based on the preliminary assessment of the unaudited consolidated management accounts for the six months ended June 30, 2024 (“**1H2024**”) of the Group (the “**Management Accounts**”), as well as other relevant information currently available to the Board, the Group expects to record: (a) a total revenue of no less than RMB2,000.0 million for 1H2024, representing a period-to-period growth of no less than 45.0% from approximately RMB1,376.4 million for the six months ended June 30, 2023 (“**1H2023**”); (b) a net profit attributable to the equity holders of the Company (“**Net Profit**”) of no less than RMB10.0 million for 1H2024, from approximately RMB8.8 million for 1H2023 (with such RMB8.8 million Net Profit being positively impacted by the fair value gain of approximately RMB119.3 million on the convertible senior ordinary shares¹); and (c) an Adjusted Net Profit (non-International Financial Reporting Standards (“**non-IFRS**”) measure)² of no less than RMB48.0 million for 1H2024, as compared with an Adjusted Net Loss (non-IFRS measure) of approximately RMB17.4 million for 1H2023.

Based on information currently available to the Board, the Board believes the Group’s strong operating results in 1H2024 as reflected in both the positive Net Profit and Adjusted Net Profit position were mainly attributable to, among other things: (a) the expansion of our store network, as our total store count increased from 672 stores as at June 30, 2023 to 768 stores as at December 31, 2023 and further to 914 stores as at June 30, 2024; (b) the continuous revenue growth in the existing stores and strong sales performance of the new stores in our new growth markets in 1H2024; and (c) further enhancement in our profit margin built on improvements at both the store and corporate levels throughout 1H2024.

¹ Upon completion of the listing of the Company, all convertible senior ordinary shares were converted into ordinary shares.

² We define “Adjusted Net Profit/(Loss)”, a non-IFRS measure, as profit/(loss) for the period and adding back fair value change of financial liabilities at fair value through profit or loss, share-based compensation and listing expenses.

In evaluating our business, we use non-IFRS measures such as Adjusted Net Profit/(Loss) as additional financial measures, which are not required by, or presented in accordance with, IFRS. We believe that these non-IFRS measures facilitate comparisons of operating performance from period to period and company to company. We believe that these measures provide useful information to investors and others in understanding and evaluating our results of operations in the same manner as they help our management.

We define Adjusted Net Profit/(Loss) (non-IFRS measure) as profit/(loss) for the period and adding back fair value change of financial liabilities at fair value through profit or loss, share-based compensation and listing expenses. Such non-IFRS measure enables the assessment of the Group's operating results without considering the impacts of the aforementioned non-cash items and one-off items that we do not consider to be indicative of the Group's operating performance in the future.

Our presentation of Adjusted Net Profit/(Loss) (non-IFRS measure), however, may not be comparable to similarly titled measures presented by other companies. The use of such non-IFRS measure has limitations as an analytical tool, and Shareholders and potential investors should not consider it in isolation from, or as substitute for analysis of, our results of operations or financial condition as reported under IFRS.

As at the date of this announcement, the Company is still in the process of finalizing the interim results of the Group for 1H2024. The information contained in this announcement is therefore only based on a preliminary assessment of the Management Accounts and other relevant information currently available to the Board. Such Management Accounts have neither been confirmed nor audited by the Company's independent auditor, nor reviewed by the audit committee of the Company and are subject to finalization and necessary adjustments (if any). As such, the actual interim results of the Group for 1H2024 may be different from the disclosure in this announcement. Shareholders and potential investors are therefore advised to read carefully the interim results announcement of the Company for 1H2024, which is expected to be published before the end of August 2024.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

By Order of the Board
DPC Dash Ltd
Frank Paul KRASOVEC
Chairman

Hong Kong, July 31, 2024

As of the date of this announcement, the Board comprises Ms. Yi WANG as executive Director, Mr. Frank Paul KRASOVEC, Mr. James Leslie MARSHALL, Mr. Zohar ZIV, Mr. Matthew James RIDGWELL and Mr. Arthur Patrick D 'ELIA as non-executive Directors and Mr. David Brian BARR, Mr. Samuel Chun Kong SHIH and Ms. Lihong WANG as independent non-executive Directors.